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'maintaining an account for each consumer', it fails to teach that account has a direct identification of the consumer with the account to exclude identification of the consumer by name. However, in the same field of endeavor, Scroggie teaches a method of distributing electronic promotions to a plurality of consumer [sic] through a communication network (abstract and col. 1 L 40-65). Scroggie identifies each consumer (customer) with a [sic] "identification code" or a "customer id" rather than by a name and thus alludes to "maintaining an account for each customer with said account to exclude identification of said customer by name". See col. 4 L 33-50. Note that the targeted incentives are based on prior purchase history maintained with the customer id (...store can track the purchase of each customer who supplies this customer id (identification number)). It would have been obvious to modify Nichtberger so that the consumer account is having a limited direct identification of the consumer with the account to exclude identification of the consumer by name per teaching of Scroggie. Benefits of excluding the name of the consumer are maintain anonymity of the transactions whereby consumer is assured of his or her privacy and that personal data(including name) is not circulated for unsolicited advertisement material and security of the transaction would be enhanced. (Examiner's emphasis.)"

With due respect to the Examiner, the applicant asserts that a *prima facie* case of obviousness has not been made. Why one skilled in the art would make the purported combination has not been presented. In the coupon system disclosed by the Nichtberger patent, the principal reference relied upon by the Examiner, abundant customer information is collected and used for demographic marketing purposes. "The customer master file is preferably also updated with all redemption information, as indicated at 84. Periodically, this data can be analyzed and reports generated for each participating manufacturer, as indicated at 86. The reports may include information about the number of coupons distributed and redeemed, buying habits of users, etc. Ultimately, extensive demographic data is included in the reports. Thus, the system eliminates fraud, since there is complete control over every coupon distributed and redeemed and highly detailed demographic information concerning the sale of for each product is available." Nichtberger, Col. 18, lines 29-41. Naturally, the more customer information the better. Why one skilled in the art at the time of the applicant's invention would then surrender the possibility of gathering such useful customer demographic information is not explained.

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MPEP §2143.01 further explains the requirement of motivation to make a *prima* facie case of obviousness. "There are three possible sources for a motivation to combine references: the nature of the problem to be solved, the teachings of the prior art, and the knowledge of persons of ordinary skill in the prior art." Citing In re Rouffet, 149 F.3d,1350, 1357, 47 USPQ2d 1453, 1457-8 (Fed Cir. 1998). From the nature of the problem of direct sales incentives with electronic networks, it is evident that the limited direct customer identification as claimed by the applicant does not immediately arise as an answer. Indeed, more identification would be the answer. See the quoted section above from the Nichtberger patent. Even the cited Scroggie patent describes the use of customer information for valuable demographic analysis. See col. 9, lines 14-28. Hence the teachings of the cited prior art do not appear to provide the motivation to make the purported combination either.

It is the Examiner who supplies this motivation. "Benefits of excluding the name of the consumer are maintain anonymity of the transactions whereby consumer is assured of his or her privacy and that personal data(including name) is not circulated for unsolicited advertisement material and security of the transaction would be enhanced." Presumably the Examiner is claiming that one skilled in the art would make the combination. However, the applicant asserts that one skilled in the art at the time of the applicant's invention was not concerned about privacy at that time. Rather, as indicated by the references cited by the Examiner, the efforts of those in this field were pointed in the opposite direction, i.e., the gathering of as much consumer information as possible electronically. Nowhere, even in the Scroggie patent, has the applicant found the word, "privacy." Secondly, the motivation of a person with an electronic system which obtains valuable consumer behavior information, i.e., the Nichtberger system, to modify the system for restricted customer identification and hence lose the details of customer behavior does not make sense.

Hence the applicant argues that there is no motivation to make the combination of the Nichtberger and Scroggie patents as suggested by the Examiner in rejecting applicant's claim 1. Independent claim 1 should be allowed and likewise, all pending claims 2-26, 28-31 and 33-41, which are dependent upon claim 1, should also be allowable for being dependent upon allowable subject matter.

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Pending claims 59-78 and 85-89 were rejected under 35 U.S.C. §103(a) as being obvious over the cited Nichtberger patent and further in view of U.S. Patent No. 5,857,175, which issued January 5, 1999 to L.J. Day al and further in view of the cited Scroggie patent. The Nichtberger and Scroggie patents were combined to provide the teachings of a method for distributing and redeeming electronic promotions with limited direct customer identification, as recited in independent claim 59, except for one step purportedly taught by the Day patent.

As argued above, the Examiner's combination of the Nichtberger and Scroggie patents should not be made because there is no motivation to make such a combination. Independent claim 59 should be allowable and its dependent claims, claims 60-77, 79-82 and 84-89 should be allowed also for being dependent upon allowable subject matter.

Therefore, in view of the amendments above and the remarks directed thereto, the applicant respectfully requests that the rejections be removed, that pending claims 1-26, 28-31, 33-41, 59-77, 79-82 and 84-89 be allowed and the case be passed to issue.

Respectfully submitted

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